

actions. In fact, he has stated that anyone would have done the same thing under the same circumstances.

I believe that Clay King's professionalism should be emulated and his heroism honored here today on the floor of the United States House of Representatives. I rest easier knowing that Mr. King is watching out for all of us, everywhere.

IN HONOR OF POLLY E. HODGES
ON THE OCCASION OF HER RETIREMENT

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 6, 2004

Mr. KINGSTON. Mr. Speaker, I rise today to honor Polly E. Hodges, who is retiring on January 7, 2005 from her post as Chief Financial Officer of the Congressional Budget Office. I would like to take this opportunity to thank her for her service to CBO and to the Congress.

Polly was born and raised in Arkansas. She began her postsecondary studies at Hendrix College but obtained her bachelor's degree in accounting and business, cum laude, from San Antonio's Trinity University. Soon afterward, she earned the Certified Public Accountant designation and honed her professional skills at Tenneco, where she rose to the position of senior auditor. After a brief flirtation with the idea of medical school, she became chief accountant to Jacuzzi Brothers, Inc., and then joined CBO's staff on December 21, 1981.

Polly began her career at CBO as Finance and Budget Officer and was later named its Chief Financial Officer. For 23 years, she has overseen the office's budgetary and financial affairs and provided sound financial counsel to each of its six Directors. Polly has played a major role in developing and executing CBO's annual budgets, working closely with its management and with staff of the House and Senate Appropriations Committees. Even during a period of tight budgets—not normally a situation relished by budget officers—Polly was proud to assist Appropriations Committee staff in crafting report language that proved useful in leading the legislative branch through potentially painful funding reductions.

Polly's service to the Congress has extended beyond the confines of CBO—she was a founding member of the legislative branch's Financial Management Council and continues to provide that organization with thoughtful counsel.

Throughout her years as a public servant, Polly's command of financial methods and management and her professional and personal integrity have enriched both CBO and the Congress. Thank you, Polly, for your dedication and service, and we wish you well in your retirement.

HONORING MR. JACK MERKEL

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 6, 2004

Mr. SMITH of Michigan. I rise today to honor the 2004 Chelsea Area Citizen of the

Year, Mr. Jack Merkel. A lifelong resident of Chelsea, Jack Merkel has dedicated his life to the betterment of his community. Mr. Merkel is a respected business owner, community leader, husband, father, and grandfather.

He has served on countless boards and commissions throughout his life, including the Chelsea Village Council, Mayor of Chelsea, Chelsea Community Hospital, Silver Maples of Chelsea, Chelsea Area Chamber of Commerce, Chelsea City Charter Commission, and is an active member of St. Mary's Catholic Church. A distinguished businessman, Jack and his brother, Bob, owned and operated Merkel's Furniture, a Chelsea landmark, for 46 years.

Mr. Merkel was the leader of the Chelsea Cityhood initiative. Over 12 years, he provided tireless leadership, focus, and support to the project, which culminated in a City Charter first approved by the State of Michigan and approved by the residents of Chelsea in March of 2004.

On behalf of the Congress of the United States of America, I am proud to honor Mr. Jack Merkel for his commitment to family and community, and his dedication to improving his hometown. We commend him for his selfless service to others, and honor his contributions to his community.

RECOGNIZING NICHOLAS JOHN
ROPCHOCK FOR ACHIEVING THE
RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 6, 2004

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Nicholas John Ropchock of Blue Springs, Missouri, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 603, and in earning the most prestigious award of Eagle Scout.

Nicholas has been very active with his troop, participating in many scout activities. Over the many years Nicholas has been involved with scouting, he has not only earned numerous merit badges, but the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Nicholas John Ropchock for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

NEW RULES APPROVED BY THE
PCAOB

HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 6, 2004

Mr. SWEENEY. Mr. Speaker, under the Sarbanes-Oxley Act (Section 106(a)) any foreign accounting firm that audits an issuer of securities in the United States capital markets shall be subject to the same regulatory framework applicable to domestic accounting firms. The Act requires that foreign audit firms must adhere to the same rigorous standards applicable to domestic firms.

Sarbanes-Oxley also established the Public Company Accounting Oversight Board (PCAOB) and directs them to conduct a continuing program of inspections of registered public accounting firms and to investigate alleged violations of the Act, related securities laws, and auditing and related professional practice standards.

The PCAOB recently approved rules under which non-U.S. regulators would be permitted to fulfill the inspection and enforcement mission of the PCAOB if the non-U.S. regulator is judged by the PCAOB to be sufficiently independent and rigorous. What concerns me is that the PCAOB might allow the Canadian Public Accountability Board to fulfill this mission. This would be a serious mistake.

The PCAOB in looking at its own structure and mission identified five factors as bearing upon the independence and rigor of the non-U.S. regulatory systems: (1) The adequacy and integrity of the non-U.S. system; (2) the system's source of funding; (3) the system's independence from the accounting profession; (4) the system's transparency; and (5) historical performance.

The first looks at the system's authority to inspect, investigate, sanction and enforce professional standards of the accounting profession.

The second assesses the accounting profession's authority over the governance and operation of the non-U.S. regulatory system. How many accountants have decision making authority? Are they appointed by government? Does the government or the accounting profession hold removal power?

The third implicates the accounting profession's control over the system's source of funds.

The fourth on transparency requires open rule making procedures and periodic reporting to the public.

With respect to historical performance—if the system is new the PCAOB will not consider this factor.

Consequently, any decision by the PCAOB to rely on a specific non-U.S. regulator should require that they pass these minimum tests. The Canadian Public Accountability Board fails these tests.

The Canadian Public Accountability Board has no direct statutory authority. It has no oversight mechanism, no transparency, and no public interest accountability. It is subject to the whims of its membership and its governing structure is comprised primarily of accountants. Most importantly, the source of funding for the Canadian Public Accountability Board is in fact the accounting industry itself.

As the PCAOB moves toward granting reciprocity to foreign organizations to help enforce Sarbanes-Oxley the Congress will be watching to make certain that the interests of the American investors and the integrity of the U.S. financial sector are protected.

IN MEMORY OF NEW YORK CITY
FIREFIGHTER AND ARMY NATIONAL
GUARD SERGEANT
CHRISTIAN ENGELDRUM

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 6, 2004

Mr. CROWLEY. Mr. Speaker, I rise in sadness to pay homage and tribute to the life and